

## Newly Available NIPA Tables

As part of the annual revision of the national income and product accounts (NIPAs), this report presents NIPA tables 3.15.1–3.15.6, tables 3.16–3.19, and tables 8.1–8.6. Revisions for tables 3.18B and 3.19 begin with 1993. The tables are available on BEA's Web site <[www.bea.gov](http://www.bea.gov)>.

The August 2005 issue of the SURVEY OF CURRENT BUSINESS includes an article that describes the annual revision; it also includes most of the full set of NIPA tables. Table 7.19 was published in the September issue.

Tables 2.9 and 7.20 will be published in the November SURVEY.

**Table 3.15.1. Percent Change From Preceding Period in Real Government Consumption Expenditures and Gross Investment by Function**  
[Percent]

|                                      | Line | 2001       | 2002       | 2003       | 2004       |
|--------------------------------------|------|------------|------------|------------|------------|
| <b>Government</b>                    | 1    | <b>3.4</b> | <b>4.4</b> | <b>2.8</b> | <b>2.2</b> |
| General public service.....          | 2    | 3.3        | 3.9        | 0.9        | 3.4        |
| National defense .....               | 3    | 3.9        | 7.4        | 8.8        | 7.0        |
| Public order and safety .....        | 4    | 3.4        | 4.4        | 1.7        | 2.3        |
| Economic affairs.....                | 5    | 2.6        | 3.8        | 1.3        | 0.7        |
| Transportation .....                 | 6    | 4.6        | 3.4        | 3.2        | 0.0        |
| Space .....                          | 7    | 1.9        | -4.3       | 1.0        | 3.6        |
| Other economic affairs .....         | 8    | -1.2       | 6.1        | -2.1       | 1.8        |
| Housing and community services ..... | 9    | 7.7        | 6.8        | 1.7        | -3.0       |
| Health.....                          | 10   | -0.7       | 6.8        | 4.9        | -5.3       |
| Recreation and culture .....         | 11   | 5.6        | 4.8        | 3.9        | -1.1       |
| Education .....                      | 12   | 3.5        | 1.5        | -0.4       | 0.0        |
| Income security.....                 | 13   | 5.3        | 10.3       | 3.5        | 3.0        |
| <b>Federal</b>                       | 14   | <b>3.9</b> | <b>7.0</b> | <b>6.9</b> | <b>5.2</b> |
| General public service.....          | 15   | 9.7        | -2.7       | 0.4        | 16.5       |
| National defense .....               | 16   | 3.9        | 7.4        | 8.8        | 7.0        |
| Public order and safety .....        | 17   | 6.8        | 15.1       | 5.5        | 4.2        |
| Economic affairs.....                | 18   | -0.4       | 7.2        | 0.8        | -0.5       |
| Transportation .....                 | 19   | 7.2        | 21.3       | 12.7       | -7.2       |
| Space .....                          | 20   | 1.9        | -4.3       | 1.0        | 3.6        |
| Other economic affairs .....         | 21   | -4.2       | 5.0        | -5.4       | 2.1        |
| Housing and community services ..... | 22   | -9.6       | -15.4      | 24.8       | -72.2      |
| Health.....                          | 23   | 6.5        | 4.2        | 7.9        | -3.0       |
| Recreation and culture .....         | 24   | 1.0        | 2.2        | 0.8        | -1.2       |
| Education .....                      | 25   | 12.4       | -0.5       | -7.6       | 9.4        |
| Income security.....                 | 26   | -1.2       | 29.1       | 9.4        | 1.4        |
| <b>State and local...</b>            | 27   | <b>3.2</b> | <b>3.1</b> | <b>0.6</b> | <b>0.4</b> |
| General public service.....          | 28   | 1.9        | 5.4        | 1.1        | 0.4        |
| Public order and safety .....        | 29   | 2.9        | 2.8        | 1.0        | 1.9        |
| Economic affairs.....                | 30   | 3.9        | 2.3        | 1.6        | 1.3        |
| Transportation .....                 | 31   | 4.3        | 1.0        | 1.6        | 1.3        |
| Other economic affairs .....         | 32   | 2.6        | 7.4        | 1.5        | 1.4        |
| Housing and community services ..... | 33   | 8.4        | 7.5        | 1.0        | -0.7       |
| Health.....                          | 34   | -11.6      | 11.7       | -0.5       | -10.1      |
| Recreation and culture .....         | 35   | 6.3        | 5.2        | 4.4        | -1.0       |
| Education .....                      | 36   | 3.4        | 1.5        | -0.3       | -0.1       |
| Elementary and secondary .....       | 37   | 3.4        | 1.0        | -0.4       | -0.2       |
| Higher .....                         | 38   | 3.8        | 3.4        | -0.2       | 0.1        |
| Libraries and other .....            | 39   | 3.6        | 3.4        | 2.4        | 2.6        |
| Income security.....                 | 40   | 6.4        | 7.6        | 2.4        | 3.3        |

**Table 3.15.2. Contributions to Percent Change in Real Government Consumption Expenditures and Gross Investment by Function**

|   | Line | 2001        | 2002        | 2003        | 2004        |
|---|------|-------------|-------------|-------------|-------------|
| <b>Percent change at annual rate:</b>     |      |             |             |             |             |
| <b>Government</b> .....                   | 1    | <b>3.4</b>  | <b>4.4</b>  | <b>2.8</b>  | <b>2.2</b>  |
| <b>Percentage points at annual rates:</b> |      |             |             |             |             |
| General public service .....              | 2    | 0.32        | 0.37        | 0.09        | 0.31        |
| National defense .....                    | 3    | 0.84        | 1.59        | 1.98        | 1.67        |
| Public order and safety .....             | 4    | 0.39        | 0.50        | 0.19        | 0.26        |
| Economic affairs .....                    | 5    | 0.41        | 0.59        | 0.21        | 0.11        |
| Transportation .....                      | 6    | 0.45        | 0.34        | 0.31        | 0.00        |
| Space .....                               | 7    | 0.02        | -0.04       | 0.01        | 0.03        |
| Other economic affairs .....              | 8    | -0.06       | 0.30        | -0.11       | 0.08        |
| Housing and community services .....      | 9    | 0.15        | 0.14        | 0.03        | -0.06       |
| Health .....                              | 10   | -0.04       | 0.32        | 0.23        | -0.25       |
| Recreation and culture .....              | 11   | 0.09        | 0.08        | 0.06        | -0.02       |
| Education .....                           | 12   | 1.05        | 0.44        | -0.11       | 0.01        |
| Income security.....                      | 13   | 0.19        | 0.38        | 0.14        | 0.12        |
| <b>Federal</b> .....                      | 14   | <b>1.31</b> | <b>2.36</b> | <b>2.39</b> | <b>1.89</b> |
| General public service .....              | 15   | 0.17        | -0.05       | 0.01        | 0.28        |
| National defense .....                    | 16   | 0.84        | 1.59        | 1.98        | 1.67        |
| Public order and safety .....             | 17   | 0.10        | 0.23        | 0.09        | 0.07        |
| Economic affairs .....                    | 18   | -0.02       | 0.34        | 0.04        | -0.03       |
| Transportation .....                      | 19   | 0.08        | 0.25        | 0.17        | -0.10       |
| Space .....                               | 20   | 0.02        | -0.04       | 0.01        | 0.03        |
| Other economic affairs .....              | 21   | -0.12       | 0.13        | -0.14       | 0.05        |
| Housing and community services .....      | 22   | -0.01       | -0.01       | 0.01        | -0.05       |
| Health .....                              | 23   | 0.19        | 0.12        | 0.24        | -0.09       |
| Recreation and culture .....              | 24   | 0.00        | 0.00        | 0.00        | 0.00        |
| Education .....                           | 25   | 0.04        | 0.00        | -0.03       | 0.03        |
| Income security.....                      | 26   | -0.01       | 0.14        | 0.06        | 0.01        |
| <b>State and local ...</b>                | 27   | <b>2.10</b> | <b>2.05</b> | <b>0.42</b> | <b>0.27</b> |
| General public service .....              | 28   | 0.15        | 0.42        | 0.08        | 0.03        |
| Public order and safety .....             | 29   | 0.29        | 0.28        | 0.10        | 0.19        |
| Economic affairs .....                    | 30   | 0.43        | 0.26        | 0.17        | 0.14        |
| Transportation .....                      | 31   | 0.37        | 0.09        | 0.14        | 0.10        |
| Other economic affairs .....              | 32   | 0.06        | 0.17        | 0.03        | 0.03        |
| Housing and community services .....      | 33   | 0.16        | 0.15        | 0.02        | -0.01       |
| Health .....                              | 34   | -0.23       | 0.19        | -0.01       | -0.15       |
| Recreation and culture .....              | 35   | 0.08        | 0.07        | 0.06        | -0.01       |
| Education .....                           | 36   | 1.01        | 0.44        | -0.08       | -0.02       |
| Elementary and secondary .....            | 37   | 0.77        | 0.23        | -0.10       | -0.05       |
| Higher .....                              | 38   | 0.20        | 0.18        | -0.01       | 0.00        |
| Libraries and other .....                 | 39   | 0.04        | 0.04        | 0.03        | 0.03        |
| Income security.....                      | 40   | 0.20        | 0.24        | 0.08        | 0.11        |

**Table 3.15.3. Real Government Consumption Expenditures and Gross Investment by Function, Quantity Indexes**

[Index numbers, 2000=100]

|                                | Line | 2001           | 2002           | 2003           | 2004           |
|--------------------------------|------|----------------|----------------|----------------|----------------|
| <b>Government</b>              | 1    | <b>103.412</b> | <b>107.969</b> | <b>111.009</b> | <b>113.398</b> |
| General public service         | 2    | 103.331        | 107.341        | 108.349        | 111.992        |
| National defense               | 3    | 103.936        | 111.578        | 121.447        | 129.970        |
| Public order and safety        | 4    | 103.406        | 107.948        | 109.742        | 112.236        |
| Economic affairs               | 5    | 102.585        | 106.462        | 107.898        | 108.687        |
| Transportation                 | 6    | 104.602        | 108.134        | 111.547        | 111.539        |
| Space                          | 7    | 101.866        | 97.443         | 98.389         | 101.909        |
| Other economic affairs         | 8    | 98.850         | 104.898        | 102.650        | 104.451        |
| Housing and community services | 9    | 107.719        | 115.034        | 116.936        | 113.425        |
| Health                         | 10   | 99.260         | 106.032        | 111.230        | 105.321        |
| Recreation and culture         | 11   | 105.594        | 110.701        | 115.020        | 113.801        |
| Education                      | 12   | 103.545        | 105.073        | 104.671        | 104.710        |
| Income security                | 13   | 105.333        | 116.195        | 120.237        | 123.844        |
| <b>Federal</b>                 | 14   | <b>103.908</b> | <b>111.169</b> | <b>118.839</b> | <b>125.038</b> |
| General public service         | 15   | 109.681        | 106.705        | 107.156        | 124.823        |
| National defense               | 16   | 103.936        | 111.578        | 121.447        | 129.970        |
| Public order and safety        | 17   | 106.818        | 122.964        | 129.781        | 135.202        |
| Economic affairs               | 18   | 99.592         | 106.747        | 107.580        | 106.990        |
| Transportation                 | 19   | 107.246        | 130.109        | 146.643        | 136.154        |
| Space                          | 20   | 101.866        | 97.443         | 98.389         | 101.909        |
| Other economic affairs         | 21   | 95.807         | 100.560        | 95.161         | 97.140         |
| Housing and community services | 22   | 90.395         | 76.474         | 95.474         | 26.589         |
| Health                         | 23   | 106.533        | 110.970        | 119.754        | 116.196        |
| Recreation and culture         | 24   | 101.018        | 103.230        | 104.103        | 102.827        |
| Education                      | 25   | 112.428        | 111.872        | 103.325        | 113.015        |
| Income security                | 26   | 98.779         | 127.505        | 139.524        | 141.417        |
| <b>State and local</b>         | 27   | <b>103.162</b> | <b>106.354</b> | <b>107.042</b> | <b>107.487</b> |
| General public service         | 28   | 101.946        | 107.501        | 108.635        | 109.102        |
| Public order and safety        | 29   | 102.913        | 105.782        | 106.860        | 108.939        |
| Economic affairs               | 30   | 103.910        | 106.342        | 108.046        | 109.450        |
| Transportation                 | 31   | 104.263        | 105.321        | 107.050        | 108.408        |
| Other economic affairs         | 32   | 102.578        | 110.210        | 111.819        | 113.400        |
| Housing and community services | 33   | 108.434        | 116.619        | 117.824        | 116.969        |
| Health                         | 34   | 88.392         | 98.754         | 98.215         | 88.290         |
| Recreation and culture         | 35   | 106.320        | 111.893        | 116.766        | 115.556        |
| Education                      | 36   | 103.440        | 104.992        | 104.685        | 104.611        |
| Elementary and secondary       | 37   | 103.360        | 104.373        | 103.906        | 103.654        |
| Higher                         | 38   | 103.760        | 107.272        | 107.059        | 107.144        |
| Libraries and other            | 39   | 103.566        | 107.059        | 109.614        | 112.503        |
| Income security                | 40   | 106.360        | 114.396        | 117.168        | 121.050        |

NOTE. Government consumption expenditures and gross investment is net of sales to other sectors. Thus, growth in the prices or quantities of sales to other sectors may partially, exactly, or more than offset the growth in the prices or quantities of gross consumption expenditures and gross investment.

**Table 3.15.4. Price Indexes for Government Consumption Expenditures and Gross Investment by Function**

[Index numbers, 2000=100]

|                                | Line | 2001           | 2002           | 2003           | 2004           |
|--------------------------------|------|----------------|----------------|----------------|----------------|
| <b>Government</b>              | 1    | <b>102.544</b> | <b>105.507</b> | <b>109.460</b> | <b>113.505</b> |
| General public service         | 2    | 101.816        | 104.249        | 108.035        | 112.795        |
| National defense               | 3    | 102.002        | 105.792        | 110.434        | 114.840        |
| Public order and safety        | 4    | 103.030        | 106.167        | 110.541        | 115.157        |
| Economic affairs               | 5    | 102.534        | 105.503        | 108.415        | 111.763        |
| Transportation                 | 6    | 102.861        | 105.817        | 108.379        | 111.107        |
| Space                          | 7    | 101.255        | 103.427        | 105.940        | 109.581        |
| Other economic affairs         | 8    | 102.131        | 105.271        | 108.958        | 113.531        |
| Housing and community services | 9    | 103.139        | 105.486        | 108.866        | 113.431        |
| Health                         | 10   | 102.486        | 104.020        | 105.168        | 108.605        |
| Recreation and culture         | 11   | 102.980        | 105.270        | 109.132        | 114.447        |
| Education                      | 12   | 102.911        | 105.730        | 110.128        | 113.788        |
| Income security                | 13   | 102.752        | 105.219        | 109.014        | 112.929        |
| <b>Federal</b>                 | 14   | <b>101.907</b> | <b>105.631</b> | <b>109.740</b> | <b>114.354</b> |
| General public service         | 15   | 100.602        | 105.891        | 109.837        | 115.439        |
| National defense               | 16   | 102.002        | 105.792        | 110.434        | 114.840        |
| Public order and safety        | 17   | 102.248        | 105.265        | 107.952        | 112.863        |
| Economic affairs               | 18   | 101.631        | 104.855        | 107.965        | 112.787        |
| Transportation                 | 19   | 102.186        | 105.462        | 108.417        | 113.544        |
| Space                          | 20   | 101.255        | 103.427        | 105.940        | 109.581        |
| Other economic affairs         | 21   | 101.529        | 105.088        | 108.483        | 113.545        |
| Housing and community services | 22   | 102.153        | 104.319        | 106.376        | 116.043        |
| Health                         | 23   | 102.125        | 105.700        | 108.685        | 113.637        |
| Recreation and culture         | 24   | 102.992        | 106.921        | 110.063        | 115.543        |
| Education                      | 25   | 102.011        | 104.358        | 106.853        | 111.585        |
| Income security                | 26   | 102.197        | 106.575        | 109.987        | 115.509        |
| <b>State and local</b>         | 27   | <b>102.868</b> | <b>105.435</b> | <b>109.303</b> | <b>113.022</b> |
| General public service         | 28   | 102.089        | 103.871        | 107.621        | 112.187        |
| Public order and safety        | 29   | 103.146        | 106.304        | 110.969        | 115.531        |
| Economic affairs               | 30   | 102.928        | 105.786        | 108.609        | 111.309        |
| Transportation                 | 31   | 102.949        | 105.859        | 108.355        | 110.678        |
| Other economic affairs         | 32   | 102.848        | 105.510        | 109.517        | 113.578        |
| Housing and community services | 33   | 103.177        | 105.531        | 108.952        | 113.464        |
| Health                         | 34   | 103.079        | 101.042        | 98.962         | 99.529         |
| Recreation and culture         | 35   | 102.978        | 105.022        | 108.988        | 114.279        |
| Education                      | 36   | 102.922        | 105.747        | 110.169        | 113.816        |
| Elementary and secondary       | 37   | 103.232        | 106.485        | 111.343        | 115.661        |
| Higher                         | 38   | 101.635        | 102.768        | 105.412        | 106.208        |
| Libraries and other            | 39   | 102.715        | 104.938        | 109.117        | 112.952        |
| Income security                | 40   | 102.836        | 105.000        | 108.866        | 112.484        |

NOTE. Government consumption expenditures and gross investment is net of sales to other sectors. Thus, growth in the prices or quantities of sales to other sectors may partially, exactly, or more than offset the growth in the prices or quantities of gross consumption expenditures and gross investment.



**Table 3.16. Government Current Expenditures by Function**  
[Billions of dollars]

|   | Line | 2001           | 2002           | 2003           | 2004           |   | Line | 2001           | 2002           | 2003           | 2004           |
|---|------|----------------|----------------|----------------|----------------|---|------|----------------|----------------|----------------|----------------|
| <b>Government</b>                       | 1    | <b>3,061.6</b> | <b>3,240.8</b> | <b>3,424.7</b> | <b>3,620.6</b> | Air   | 57   | 15.2           | 14.6           | 19.8           | 16.4           |
| General public service                  | 2    | <b>506.1</b>   | <b>490.1</b>   | <b>489.9</b>   | <b>515.1</b>   | Water                                       | 58   | 7.9            | 8.1            | 9.7            | 10.2           |
| Executive and legislative               | 3    | 50.9           | 58.1           | 66.2           | 76.4           | Transit and railroad                        | 59   | 0.7            | 1.7            | 1.7            | 1.8            |
| Tax collection and financial management | 4    | 39.2           | 43.0           | 44.7           | 45.4           | Space                                       | 60   | 13.8           | 13.8           | 14.6           | 15.3           |
| Interest payments <sup>2</sup>          | 5    | 344.1          | 315.1          | 301.4          | 310.3          | Other economic affairs                      | 61   | 70.5           | 65.8           | 71.2           | 71.2           |
| Other <sup>3</sup>                      | 6    | 71.9           | 74.0           | 77.6           | 82.9           | General economic and labor affairs          | 62   | 15.0           | 15.9           | 15.2           | 16.8           |
| National defense                        | 7    | <b>342.6</b>   | <b>381.7</b>   | <b>436.6</b>   | <b>484.2</b>   | Agriculture                                 | 63   | 31.1           | 22.0           | 26.1           | 22.5           |
| Public order and safety                 | 8    | <b>194.5</b>   | <b>209.3</b>   | <b>222.8</b>   | <b>238.5</b>   | Energy                                      | 64   | 9.9            | 11.7           | 13.2           | 13.8           |
| Police                                  | 9    | 77.8           | 84.2           | 91.9           | 99.9           | Natural resources                           | 65   | 14.5           | 16.1           | 16.6           | 18.1           |
| Fire                                    | 10   | 24.3           | 26.4           | 29.1           | 30.9           | Postal service                              | 66   | 0.0            | 0.0            | 0.0            | 0.0            |
| Law courts                              | 11   | 35.1           | 39.8           | 40.5           | 42.4           | Housing and community services              | 67   | <b>34.6</b>    | <b>39.4</b>    | <b>41.3</b>    | <b>41.3</b>    |
| Prisons                                 | 12   | 57.2           | 58.9           | 61.3           | 65.3           | Health                                      | 68   | <b>453.9</b>   | <b>493.9</b>   | <b>530.4</b>   | <b>575.7</b>   |
| Economic affairs                        | 13   | <b>216.0</b>   | <b>211.9</b>   | <b>227.7</b>   | <b>231.9</b>   | Recreation and culture                      | 69   | 3.9            | 4.1            | 4.3            | 4.7            |
| Transportation                          | 14   | 101.1          | 105.4          | 116.4          | 118.0          | Education                                   | 70   | <b>47.3</b>    | <b>53.7</b>    | <b>60.3</b>    | <b>67.1</b>    |
| Highways                                | 15   | 76.6           | 80.5           | 84.8           | 89.2           | Elementary and secondary                    | 71   | 19.3           | 22.4           | 28.4           | 33.1           |
| Air                                     | 16   | 15.2           | 14.6           | 19.8           | 16.4           | Higher                                      | 72   | 16.0           | 18.2           | 18.4           | 20.0           |
| Water                                   | 17   | 7.9            | 8.0            | 9.7            | 10.2           | Other                                       | 73   | 12.0           | 13.0           | 13.6           | 14.0           |
| Transit and railroad                    | 18   | 1.4            | 2.2            | 2.1            | 2.3            | Income security                             | 74   | <b>642.6</b>   | <b>707.4</b>   | <b>740.1</b>   | <b>762.0</b>   |
| Space                                   | 19   | 12.9           | 12.8           | 13.7           | 14.7           | Disability                                  | 75   | 86.5           | 97.7           | 103.5          | 112.7          |
| Other economic affairs                  | 20   | 102.0          | 93.7           | 97.7           | 99.2           | Retirement <sup>5</sup>                     | 76   | 377.1          | 391.0          | 404.3          | 420.2          |
| General economic and labor affairs      | 21   | 27.2           | 30.3           | 29.0           | 31.3           | Welfare and social services                 | 77   | 107.0          | 117.5          | 122.3          | 127.4          |
| Agriculture                             | 22   | 35.7           | 27.1           | 31.2           | 27.7           | Unemployment                                | 78   | 35.6           | 57.5           | 56.7           | 40.5           |
| Energy                                  | 23   | 15.9           | 10.9           | 11.7           | 12.5           | Other                                       | 79   | 36.4           | 43.7           | 53.3           | 61.2           |
| Natural resources                       | 24   | 23.1           | 25.4           | 25.9           | 27.7           | State and local                             | 80   | <b>1,368.2</b> | <b>1,444.3</b> | <b>1,512.4</b> | <b>1,587.5</b> |
| Postal service                          | 25   | 0.0            | 0.0            | 0.0            | 0.0            | General public service                      | 81   | <b>203.0</b>   | <b>209.9</b>   | <b>217.6</b>   | <b>227.7</b>   |
| Other <sup>4</sup>                      | 26   | 0.0            | 0.0            | 0.0            | 0.0            | Executive and legislative                   | 82   | 18.3           | 19.4           | 21.1           | 22.4           |
| Housing and community services          | 27   | <b>28.6</b>    | <b>32.5</b>    | <b>34.7</b>    | <b>35.6</b>    | Tax collection and financial management     | 83   | 27.2           | 30.5           | 32.7           | 33.5           |
| Health                                  | 28   | <b>558.0</b>   | <b>607.0</b>   | <b>640.9</b>   | <b>692.2</b>   | Interest payments                           | 84   | 85.5           | 86.0           | 86.2           | 88.9           |
| Recreation and culture                  | 29   | 21.1           | 22.8           | 25.6           | 27.5           | Other <sup>7</sup>                          | 85   | 71.9           | 74.0           | 77.6           | 82.9           |
| Education                               | 30   | <b>505.7</b>   | <b>529.9</b>   | <b>552.2</b>   | <b>571.0</b>   | Public order and safety                     | 86   | <b>172.2</b>   | <b>183.0</b>   | <b>193.6</b>   | <b>206.0</b>   |
| Elementary and secondary                | 31   | 371.2          | 388.3          | 407.6          | 422.2          | Police                                      | 87   | 63.5           | 68.3           | 73.1           | 77.8           |
| Higher                                  | 32   | 94.3           | 98.7           | 99.0           | 99.9           | Fire  | 88   | 24.1           | 26.0           | 28.4           | 30.5           |
| Libraries and other                     | 33   | 40.1           | 42.9           | 45.6           | 48.8           | Law courts                                  | 89   | 30.8           | 32.6           | 34.1           | 36.0           |
| Libraries                               | 34   | 6.6            | 7.1            | 7.5            | 7.9            | Prisons                                     | 90   | 53.8           | 56.1           | 58.1           | 61.6           |
| Other                                   | 35   | 33.5           | 35.8           | 38.1           | 40.9           | Economic affairs                            | 91   | <b>116.9</b>   | <b>118.4</b>   | <b>122.4</b>   | <b>128.2</b>   |
| Income security                         | 36   | <b>689.1</b>   | <b>755.6</b>   | <b>794.3</b>   | <b>824.5</b>   | Transportation                              | 92   | 76.4           | 80.0           | 84.2           | 88.6           |
| Disability                              | 37   | 100.5          | 113.9          | 121.6          | 132.4          | Highways                                    | 93   | 75.7           | 79.5           | 83.8           | 88.2           |
| Retirement <sup>5</sup>                 | 38   | 377.1          | 391.0          | 404.3          | 420.2          | Transit and railroad                        | 94   | 0.6            | 0.5            | 0.4            | 0.5            |
| Welfare and social services             | 39   | 146.2          | 157.1          | 166.9          | 178.0          | Other economic affairs                      | 95   | 40.6           | 38.4           | 38.2           | 39.6           |
| Unemployment                            | 40   | 32.3           | 53.8           | 53.2           | 37.0           | General economic and labor affairs          | 96   | 16.9           | 20.2           | 20.2           | 20.5           |
| Other                                   | 41   | 33.0           | 39.9           | 48.4           | 57.0           | Agriculture                                 | 97   | 5.5            | 6.0            | 5.9            | 6.1            |
| Federal                                 | 42   | <b>1,969.5</b> | <b>2,101.1</b> | <b>2,251.4</b> | <b>2,381.3</b> | Energy                                      | 98   | 7.0            | 0.4            | -0.3           | 0.0            |
| General public service                  | 43   | <b>304.7</b>   | <b>282.7</b>   | <b>284.8</b>   | <b>290.4</b>   | Natural resources                           | 99   | 11.1           | 11.7           | 12.4           | 12.9           |
| Executive and legislative               | 44   | 34.1           | 41.2           | 57.6           | 57.0           | Other <sup>4</sup>                          | 100  | 0.0            | 0.0            | 0.0            | 0.0            |
| Tax collection and financial management | 45   | 11.9           | 12.4           | 12.0           | 12.0           | Housing and community services <sup>8</sup> | 101  | 7.2            | 7.3            | 7.7            | 8.1            |
| Interest payments <sup>2</sup>          | 46   | 258.6          | 229.1          | 215.2          | 221.5          | Health                                      | 102  | <b>256.7</b>   | <b>282.7</b>   | <b>296.5</b>   | <b>317.5</b>   |
| Other <sup>6</sup>                      | 47   | 0.0            | 0.0            | 0.0            | 0.0            | Recreation and culture                      | 103  | 17.4           | 19.0           | 21.7           | 23.3           |
| National defense                        | 48   | <b>345.5</b>   | <b>384.9</b>   | <b>440.2</b>   | <b>487.8</b>   | Education                                   | 104  | <b>482.1</b>   | <b>503.9</b>   | <b>526.0</b>   | <b>542.6</b>   |
| Public order and safety                 | 49   | <b>28.1</b>    | <b>30.1</b>    | <b>32.0</b>    | <b>36.3</b>    | Elementary and secondary                    | 105  | 370.4          | 387.3          | 405.9          | 420.4          |
| Police                                  | 50   | 18.1           | 18.4           | 21.1           | 25.2           | Higher                                      | 106  | 79.6           | 82.3           | 83.3           | 82.6           |
| Fire                                    | 51   | 0.2            | 0.4            | 0.8            | 0.4            | Libraries and other                         | 107  | 32.1           | 34.3           | 36.8           | 39.6           |
| Law courts                              | 52   | 5.9            | 7.9            | 6.4            | 6.4            | Libraries                                   | 108  | 6.6            | 7.1            | 7.5            | 7.9            |
| Prisons                                 | 53   | 3.8            | 3.3            | 3.8            | 4.3            | Other                                       | 109  | 25.5           | 27.2           | 29.3           | 31.7           |
| Economic affairs                        | 54   | <b>109.0</b>   | <b>104.9</b>   | <b>117.9</b>   | <b>115.9</b>   | Income security                             | 110  | <b>112.6</b>   | <b>120.0</b>   | <b>126.8</b>   | <b>134.3</b>   |
| Transportation                          | 55   | 24.8           | 25.3           | 32.2           | 29.4           | Disability                                  | 111  | 15.6           | 18.0           | 19.9           | 21.6           |
| Highways                                | 56   | 0.9            | 1.0            | 1.0            | 1.0            | Welfare and social services                 | 112  | 96.9           | 102.0          | 106.9          | 112.7          |

1. Equals Federal Government current expenditures less grants-in-aid to state and local governments plus state and local government current expenditures. Federal grants-in-aid to state and local governments by function are shown in table 3.17.

2. Prior to 1960, Federal interest receipts are not available separately but are included in interest payments, which is shown net of Federal interest receipts.

3. Equals unallocable state and local government expenditures, less "wage accruals less disbursements" shown in table 3.1; includes Federal Government revenue sharing grants to state and local governments beginning with 1972 and ending with 1987.

4. Consists of state and local government publicly owned liquor store systems, government-administered

lotteries and pari-mutuels, and other commercial activities.

5. Consists of social insurance funds, including old age, survivors, and disability insurance (social security), and railroad retirement. Excludes government employee retirement plans.

6. Consists primarily of Federal Government revenue sharing grants to state and local governments beginning with 1972 and ending with 1987, less "wage accruals less disbursements" shown in table 3.2.

7. Equals unallocable state and local government expenditures less "wage accruals less disbursements" shown in table 3.3.

8. Consists of current expenditures for sanitation.

**Table 3.17. Selected Government Current and Capital Expenditures by Function**  
 [Billions of dollars]

|  | Line | 2001           | 2002           | 2003           | 2004           |   | Line | 2001         | 2002         | 2003         | 2004         |
|--|------|----------------|----------------|----------------|----------------|---|------|--------------|--------------|--------------|--------------|
| <b>Current expenditures<sup>1</sup></b>              |      |                |                |                |                |   |      |              |              |              |              |
| <b>Consumption expenditures:</b>                     |      |                |                |                |                |   |      |              |              |              |              |
| <b>Government</b>                                    | 1    | <b>1,501.6</b> | <b>1,616.9</b> | <b>1,736.7</b> | <b>1,843.4</b> | Housing and community services.....               | 67   | 13.1         | 14.3         | 14.3         | 13.8         |
| General public service                               | 2    | 146.6          | 154.6          | 163.5          | 177.5          | Health .....                                      | 68   | 152.7        | 169.6        | 186.0        | 201.0        |
| National defense                                     | 3    | 342.4          | 381.7          | 436.6          | 484.2          | Recreation and culture .....                      | 69   | 0.3          | 0.4          | 0.4          | 0.5          |
| Public order and safety                              | 4    | 194.3          | 209.1          | 222.6          | 238.3          | Education .....                                   | 70   | 23.7         | 27.7         | 34.1         | 38.7         |
| Economic affairs                                     | 5    | 179.3          | 195.2          | 204.4          | 213.7          | Income security .....                             | 71   | 66.1         | 71.7         | 72.6         | 71.8         |
| Housing and community services                       | 6    | 8.0            | 8.1            | 8.6            | 8.3            | Disability .....                                  | 72   | 1.7          | 1.8          | 1.8          | 1.9          |
| Health   | 7    | 70.5           | 76.7           | 80.5           | 77.7           | Welfare and social services .....                 | 73   | 57.7         | 62.5         | 62.4         | 62.1         |
| Recreation and culture                               | 8    | 20.6           | 22.3           | 25.1           | 27.0           | Unemployment .....                                | 74   | 3.3          | 3.6          | 3.5          | 3.5          |
| Education  | 9    | 474.1          | 495.0          | 515.8          | 531.8          | Other .....                                       | 75   | 3.4          | 3.9          | 4.9          | 4.3          |
| Income security                                      | 10   | 65.8           | 74.3           | 79.6           | 85.0           |   |      |              |              |              |              |
| <b>Federal</b>                                       | 11   | <b>531.9</b>   | <b>591.5</b>   | <b>661.9</b>   | <b>725.7</b>   | <b>Subsidies:</b>                                 |      |              |              |              |              |
| General public service                               | 12   | 30.3           | 31.6           | 32.8           | 39.2           | <b>Government</b>                                 | 76   | <b>55.3</b>  | <b>38.4</b>  | <b>46.7</b>  | <b>43.5</b>  |
| National defense                                     | 13   | 342.4          | 381.7          | 436.6          | 484.2          | Economic affairs .....                            | 77   | 34.6         | 14.0         | 20.7         | 16.1         |
| Public order and safety                              | 14   | 22.2           | 26.2           | 29.1           | 32.5           | Transportation .....                              | 78   | 6.4          | 2.2          | 4.4          | 2.8          |
| Economic affairs                                     | 15   | 71.4           | 79.4           | 83.8           | 87.2           | Other economic affairs .....                      | 79   | 28.3         | 11.8         | 16.2         | 13.4         |
| Housing and community services                       | 16   | 0.8            | 0.8            | 1.0            | 0.2            | Agriculture .....                                 | 80   | 20.7         | 11.2         | 16.0         | 12.5         |
| Health   | 17   | 48.7           | 52.9           | 58.7           | 60.3           | Energy .....                                      | 81   | 7.0          | 0.4          | -0.3         | 0.0          |
| Recreation and culture                               | 18   | 3.2            | 3.3            | 3.4            | 3.7            | Natural resources .....                           | 82   | 0.5          | 0.2          | 0.6          | 0.9          |
| Education  | 19   | 5.1            | 5.3            | 5.1            | 5.9            | Housing and community services.....               | 83   | 20.7         | 24.4         | 26.0         | 27.3         |
| Income security                                      | 20   | 7.7            | 10.3           | 11.5           | 12.4           |   |      |              |              |              |              |
| <b>State and local</b>                               | 21   | <b>969.8</b>   | <b>1,025.3</b> | <b>1,074.8</b> | <b>1,117.7</b> | <b>Federal</b>                                    | 84   | <b>47.6</b>  | <b>37.5</b>  | <b>46.5</b>  | <b>43.0</b>  |
| General public service                               | 22   | 116.3          | 122.9          | 130.8          | 138.3          | Economic affairs .....                            | 85   | 27.0         | 13.1         | 20.5         | 15.7         |
| Public order and safety                              | 23   | 172.1          | 182.9          | 193.5          | 205.8          | Transportation .....                              | 86   | 5.7          | 1.7          | 4.0          | 2.3          |
| Economic affairs                                     | 24   | 107.8          | 115.7          | 120.6          | 126.5          | Other economic affairs .....                      | 87   | 21.2         | 11.4         | 16.5         | 13.4         |
| Housing and community services                       | 25   | 7.2            | 7.3            | 7.7            | 8.1            | Agriculture .....                                 | 88   | 20.7         | 11.2         | 16.0         | 12.5         |
| Health   | 26   | 21.8           | 23.8           | 21.8           | 17.3           | Natural resources .....                           | 89   | 0.5          | 0.2          | 0.6          | 0.9          |
| Recreation and culture                               | 27   | 17.4           | 19.0           | 21.7           | 23.3           | Housing and community services.....               | 90   | 20.7         | 24.4         | 26.0         | 27.3         |
| Education  | 28   | 469.0          | 489.7          | 510.7          | 525.8          |   |      |              |              |              |              |
| Income security                                      | 29   | 58.1           | 64.0           | 68.1           | 72.6           | <b>State and local</b>                            | 91   | <b>7.7</b>   | <b>0.9</b>   | <b>0.1</b>   | <b>0.5</b>   |
| <b>Government social benefits:</b>                   |      |                |                |                |                | Economic affairs .....                            | 92   | 7.7          | 0.9          | 0.1          | 0.5          |
| <b>Government</b>                                    | 30   | <b>1,146.6</b> | <b>1,251.6</b> | <b>1,316.4</b> | <b>1,397.5</b> | Transportation .....                              | 93   | 0.6          | 0.5          | 0.4          | 0.5          |
| General public service                               | 31   | 1.6            | 1.6            | 1.4            | 1.5            | Energy .....                                      | 94   | 7.0          | 0.4          | -0.3         | 0.0          |
| Public order and safety                              | 32   | 0.2            | 0.3            | 0.2            | 0.2            |   |      |              |              |              |              |
| Economic affairs                                     | 33   | 2.1            | 2.7            | 2.7            | 2.1            | <b>Gross investment</b>                           |      |              |              |              |              |
| Housing and community services                       | 34   | 0.0            | 0.0            | 0.0            | 0.0            | <b>Government</b>                                 | 95   | <b>324.0</b> | <b>344.3</b> | <b>355.3</b> | <b>372.5</b> |
| Health   | 35   | 487.4          | 530.3          | 560.4          | 614.5          | General public service .....                      | 96   | 26.5         | 29.5         | 29.0         | 30.3         |
| Recreation and culture                               | 36   | 0.5            | 0.5            | 0.5            | 0.5            | National defense .....                            | 97   | 50.2         | 55.4         | 60.1         | 68.5         |
| Education  | 37   | 31.5           | 34.9           | 36.4           | 39.2           | Public order and safety .....                     | 98   | 14.8         | 15.8         | 15.4         | 15.3         |
| Income security                                      | 38   | 623.3          | 681.4          | 714.7          | 739.5          | Economic affairs .....                            | 99   | 108.0        | 111.6        | 115.2        | 118.1        |
| <b>Federal</b>                                       | 39   | <b>841.4</b>   | <b>919.6</b>   | <b>965.0</b>   | <b>1,017.1</b> | Housing and community services .....              | 100  | 29.5         | 32.9         | 34.3         | 35.2         |
| General public service                               | 40   | 0.4            | 0.6            | 0.7            | 0.9            | Health .....                                      | 101  | 14.4         | 15.3         | 17.1         | 17.7         |
| Public order and safety                              | 41   | 0.1            | 0.1            | 0.1            | 0.0            | Recreation and culture .....                      | 102  | 8.5          | 8.9          | 8.4          | 7.9          |
| Economic affairs                                     | 42   | 0.6            | 1.0            | 1.0            | 0.8            | Education .....                                   | 103  | 70.0         | 72.4         | 73.0         | 76.8         |
| Housing and community services                       | 43   | 0.0            | 0.0            | 0.0            | 0.0            | Income security .....                             | 104  | 2.1          | 2.5          | 2.7          | 2.8          |
| Health   | 44   | 252.5          | 271.4          | 285.8          | 314.4          |   |      |              |              |              |              |
| Recreation and culture                               | 45   | 0.5            | 0.5            | 0.5            | 0.5            | <b>Federal</b>                                    | 105  | <b>81.0</b>  | <b>88.1</b>  | <b>92.9</b>  | <b>101.9</b> |
| Education  | 46   | 18.5           | 20.7           | 21.1           | 22.5           | General public service .....                      | 106  | 2.6          | 2.0          | 2.3          | 3.7          |
| Income security                                      | 47   | 568.8          | 625.4          | 656.0          | 677.8          | National defense .....                            | 107  | 50.2         | 55.4         | 60.1         | 68.5         |
| <b>State and local</b>                               | 48   | <b>305.2</b>   | <b>332.0</b>   | <b>351.3</b>   | <b>380.5</b>   | Public order and safety .....                     | 108  | 5.0          | 6.0          | 5.8          | 5.4          |
| General public service                               | 49   | 1.1            | 1.0            | 0.7            | 0.6            | Economic affairs .....                            | 109  | 13.8         | 14.8         | 14.0         | 14.5         |
| Public order and safety                              | 50   | 0.1            | 0.1            | 0.1            | 0.2            | Housing and community services .....              | 110  | 0.4          | 0.3          | 0.4          | 0.2          |
| Economic affairs                                     | 51   | 1.4            | 1.7            | 1.7            | 1.3            | Health .....                                      | 111  | 5.7          | 5.8          | 6.5          | 5.8          |
| Health   | 52   | 235.0          | 258.9          | 274.6          | 300.1          | Recreation and culture .....                      | 112  | 0.6          | 0.8          | 0.8          | 0.7          |
| Education  | 53   | 13.1           | 14.3           | 15.3           | 16.8           | Education .....                                   | 113  | 1.8          | 1.7          | 1.5          | 1.7          |
| Income security                                      | 54   | 54.5           | 56.0           | 58.7           | 61.6           | Income security .....                             | 114  | 0.9          | 1.3          | 1.6          | 1.6          |
| <b>Grants-in-aid to state and local governments:</b> |      |                |                |                |                |   |      |              |              |              |              |
| <b>Federal<sup>2</sup></b>                           | 55   | <b>276.1</b>   | <b>304.6</b>   | <b>339.1</b>   | <b>348.3</b>   | <b>State and local</b>                            | 115  | <b>243.0</b> | <b>256.1</b> | <b>262.3</b> | <b>270.6</b> |
| General public service                               | 56   | 1.6            | 2.5            | 12.5           | 3.0            | General public service .....                      | 116  | 23.9         | 27.5         | 26.8         | 26.6         |
| National defense                                     | 57   | 2.9            | 3.2            | 3.7            | 3.6            | Public order and safety .....                     | 117  | 9.8          | 9.8          | 9.7          | 9.8          |
| Public order and safety                              | 58   | 5.8            | 3.8            | 2.9            | 3.7            | Economic affairs .....                            | 118  | 94.2         | 96.8         | 101.1        | 103.7        |
| Economic affairs                                     | 59   | 9.9            | 11.4           | 12.6           | 12.2           | Housing and community services .....              | 119  | 29.1         | 32.6         | 33.9         | 35.0         |
| Transportation                                       | 60   | 0.0            | 0.0            | 0.0            | 0.0            | Health .....                                      | 120  | 8.6          | 9.5          | 10.6         | 12.0         |
| Space  | 61   | 0.9            | 1.0            | 1.0            | 0.6            | Recreation and culture .....                      | 121  | 7.8          | 8.1          | 7.6          | 7.2          |
| Other economic affairs                               | 62   | 9.1            | 10.4           | 11.7           | 11.6           | Education .....                                   | 122  | 68.2         | 70.7         | 71.4         | 75.1         |
| General economic and labor affairs                   | 63   | 4.7            | 5.9            | 6.4            | 6.1            | Income security .....                             | 123  | 1.2          | 1.2          | 1.2          | 1.3          |
| Agriculture  | 64   | 0.8            | 0.9            | 0.9            | 0.9            |   |      |              |              |              |              |
| Energy   | 65   | 1.1            | 1.2            | 1.3            | 1.3            | <b>Capital transfers paid</b>                     |      |              |              |              |              |
| Natural resources                                    | 66   | 2.4            | 2.5            | 3.1            | 3.3            | <b>Federal<sup>3</sup></b>                        | 124  | <b>40.8</b>  | <b>48.4</b>  | <b>62.4</b>  | <b>62.6</b>  |
|  |      |                |                |                |                | General public service <sup>4</sup> .....         | 125  | 0.0          | 0.2          | 1.9          | 0.2          |
|  |      |                |                |                |                | Economic affairs .....                            | 126  | 37.4         | 40.8         | 40.9         | 41.7         |
|  |      |                |                |                |                | Transportation .....                              | 127  | 37.4         | 40.8         | 40.9         | 41.7         |
|  |      |                |                |                |                | Highways <sup>5</sup> .....                       | 128  | 28.2         | 30.8         | 30.6         | 30.5         |
|  |      |                |                |                |                | Air <sup>5</sup> .....                            | 129  | 2.2          | 2.9          | 2.8          | 3.8          |
|  |      |                |                |                |                | Water <sup>6</sup> .....                          | 130  | .....        | 0.0          | 0.2          | 0.0          |
|  |      |                |                |                |                | Transit and railroad <sup>5</sup> .....           | 131  | 7.0          | 7.1          | 7.2          | 7.5          |
|  |      |                |                |                |                | Housing and community services <sup>5</sup> ..... | 132  | 3.4          | 3.9          | 4.8          | 4.6          |
|  |      |                |                |                |                | Health <sup>7</sup> .....                         | 133  | 0.0          | 3.6          | 14.8         | 16.1         |

1. Equals consumption expenditures, government social benefits, interest payments, subsidies, less "wage accruals less disbursements"; for Federal Government, also includes grants-in-aid to State and local governments and other current transfer payments to the rest of the world (net). Government, Federal Government, and state and local government current expenditures are shown separately in tables 3.1, 3.2, and 3.3.

2. Federal grants-in-aid to state and local governments are included in Federal current expenditures; because the grants are transactions between levels of government, they are eliminated in the consolidation of the government sector.

3. No state and local government capital transfers have been identified.

4. Consists of forgiveness of debts owed by foreign governments to the U.S. Government, and the December 1999 transfer to the Republic of Panama of the U.S. Government's assets in the Panama Canal Commission.

5. Consists of Federal Government investment grants to state and local governments.

6. Consists of maritime construction subsidies paid to business by the Federal Government.

7. Consists of Federal Government investment grants to state and local governments and beginning with October 2002, payments to the Uniformed Services Retiree Health Care Fund to amortize the unfunded liability.



**Table 3.19. Relation of State and Local Government Current Receipts and Expenditures in the National Income and Product Accounts to Bureau of Census *Government Finances* Data, Fiscal Years**  
 [Billions of dollars]

|  | Line | 2001           | 2002           | 2003           | 2004 |
|--|------|----------------|----------------|----------------|------|
| <b>Current receipts</b>  |      |                |                |                |      |
| <b>Census total revenue</b>  | 1    | <b>1,890.9</b> | <b>1,807.6</b> | <b>2,047.3</b> |      |
| Less: Coverage differences   | 2    | 178.3          | 61.5           | 213.7          |      |
| State and local employee retirement plan transactions <sup>1</sup>                                   | 3    | 100.3          | -29.3          | 120.2          |      |
| Contributions <sup>2</sup>   | 4    | 42.4           | 43.2           | 47.5           |      |
| Interest received <sup>3</sup>   | 5    | 53.6           | 48.5           | 57.7           |      |
| Dividends received <sup>4</sup>  | 6    | 20.7           | 18.3           | 14.9           |      |
| Capital gains net of losses <sup>4</sup>   | 7    | -16.3          | -139.4         | 0.2            |      |
| Unemployment insurance fund contributions and earnings <sup>5</sup>                                  | 8    | 23.3           | 27.1           | 35.3           |      |
| Certain grant programs   | 9    | 11.0           | 15.7           | 10.3           |      |
| Capital transfers received <sup>6</sup>  | 10   | 46.1           | 51.4           | 50.6           |      |
| Financial transactions <sup>7</sup>  | 11   | 2.9            | 3.4            | 3.6            |      |
| Sale of land   | 12   | 1.9            | 1.6            | 1.3            |      |
| Certain dividends  | 13   | -1.4           | -1.4           | -1.4           |      |
| Current surplus of Indian tribal government enterprises  | 14   | -0.7           | -0.8           | -0.9           |      |
| Imputed interest received and net insurance settlements  | 15   | -5.1           | -6.3           | -5.4           |      |
| Less: Netting and grossing differences   | 16   | 341.7          | 364.6          | 391.0          |      |
| Current expenditures of government enterprises <sup>7</sup>  | 17   | 169.5          | 181.0          | 192.0          |      |
| Government sales included in Census total revenue <sup>8</sup>                                       | 18   | 171.2          | 182.5          | 198.1          |      |
| Insurance claims included in Census total revenue  | 19   | 1.7            | 1.9            | 1.7            |      |
| Employer contributions to own social insurance funds   | 20   | -0.7           | -0.8           | -0.8           |      |
| Plus: Timing and other differences <sup>9</sup>  | 21   | -12.2          | 0.1            | -8.9           |      |
| Corporate profits taxes timing differences <sup>9</sup>  | 22   | -2.4           | 1.1            | 2.4            |      |
| Other timing differences and other <sup>9</sup>  | 23   | -9.8           | -1.0           | -11.3          |      |
| <b>Equals: State and local government current receipts, national income and product accounts</b>     | 24   | <b>1,359.7</b> | <b>1,381.6</b> | <b>1,433.7</b> |      |
| <b>Current expenditures</b>  |      |                |                |                |      |
| <b>Census total expenditures</b>   | 25   | <b>1,899.2</b> | <b>2,048.7</b> | <b>2,164.2</b> |      |
| Less: Coverage differences   | 26   | 228.7          | 272.7          | 291.5          |      |
| State and local employee retirement plan transactions <sup>10</sup>                                  | 27   | 89.4           | 98.8           | 107.3          |      |
| Employer contributions to own retirement plans   | 28   | -22.9          | -23.1          | -27.6          |      |
| Benefits paid  | 29   | 105.1          | 114.2          | 127.2          |      |
| Administrative expenses  | 30   | 7.2            | 7.8            | 7.6            |      |
| Unemployment insurance fund benefits paid <sup>5</sup>   | 31   | 23.0           | 42.2           | 51.5           |      |
| Net investment <sup>11</sup>   | 32   | 119.6          | 133.1          | 133.8          |      |
| Services provided without payment by domestic securities brokers                                     | 33   | -0.9           | -1.0           | -0.9           |      |
| Purchases of land  | 34   | 10.3           | 12.8           | 13.2           |      |
| Indian tribal government expenditures  | 35   | -7.6           | -6.8           | -8.0           |      |
| Imputed banking and insurance services   | 36   | -5.1           | -6.3           | -5.4           |      |
| Other  | 37   | 0.0            | 0.0            | 0.0            |      |
| Less: Netting and grossing differences   | 38   | 341.7          | 364.6          | 391.0          |      |
| Current expenditures of government enterprises <sup>7</sup>  | 39   | 169.5          | 181.0          | 192.0          |      |
| Government sales included in Census total revenue <sup>8</sup>                                       | 40   | 171.2          | 182.5          | 198.1          |      |
| Insurance claims included in Census total revenue  | 41   | 1.7            | 1.9            | 1.7            |      |
| Employer contributions to own social insurance funds   | 42   | -0.7           | -0.8           | -0.8           |      |
| Plus: Timing and other differences <sup>9</sup>  | 43   | -7.3           | -7.4           | 2.0            |      |
| <b>Equals: State and local government current expenditures, national income and product accounts</b> | 44   | <b>1,321.5</b> | <b>1,404.0</b> | <b>1,483.6</b> |      |
| <b>Net state and local government saving</b>   |      |                |                |                |      |
| <b>Census total revenue less Census total expenditures (1-25)</b>                                    | 45   | <b>-8.3</b>    | <b>-241.1</b>  | <b>-116.8</b>  |      |
| Plus: Net investment (32)  | 46   | 119.6          | 133.1          | 133.8          |      |
| Less: Net capital transfers received (10)  | 47   | 46.1           | 51.4           | 50.6           |      |
| State and local employee retirement plans (3-27)   | 48   | 11.0           | -128.1         | 12.9           |      |
| Other coverage differences (8+9+11+12+13+14+15-31-33-34-35-36-37)                                    | 49   | 12.3           | -1.4           | -7.5           |      |
| Timing and other differences (43-21)   | 50   | 5.0            | -7.4           | 10.9           |      |
| <b>Equals: State and local government net saving, national income and product accounts (24-44)</b>   | 51   | <b>37.2</b>    | <b>-22.5</b>   | <b>-49.9</b>   |      |

1. Contributions received, interest received, and dividends received are included in the NIPA personal sector. Capital gains net of losses are excluded from the NIPAs.

2. Consists of employer and employee contributions, except employer contributions to their own employee retirement plans.

3. Prior to 1968, dividends received is included in interest received (line 5).

4. Prior to 1985, capital gains (net of losses) of state and local employee retirement plans is included in line 11.

5. Unemployment insurance is recorded as a Federal program in the NIPAs.

6. Consists of estate and gift taxes and Federal investment grants.

7. Excludes current expenditures of Indian tribal government enterprises.

8. In the NIPAs, final expenditure components of GDP are recorded net of sales or receipts; all current-account sales by general government are therefore deducted in the calculation of NIPA current expenditures. However, most sales by general government are included in Census total revenue; a reconciliation item for

these sales is therefore required for both receipts and expenditures. The amount of the reconciliation item is less than the sales shown in table 3.10.5 because Census total revenue does not include medical vendor payments made by state and local governments to public institutions (classified as an intragovernmental transaction by Census) or the administrative expenses of state and local employee retirement plans (treated in the NIPAs as sales by government to the personal sector).

9. Includes timing differences that arise from restating the Census Bureau data to a year ending June 30. Census Bureau measures of state and local government revenue and expenditures (lines 1 and 25) primarily represent a fiscal year ending June 30, but some governments use other fiscal years. The NIPA measures shown in this table are for the fiscal year ending June 30, and are consistent with the not seasonally adjusted estimates in table 8.4.

10. These transactions are included in the NIPA personal sector.

11. Net investment is gross investment less consumption of fixed capital for government enterprises and general government.





**Table 8.5. Foreign Transactions in the National Income and Product Accounts, Not Seasonally Adjusted**

[Billions of dollars; quarterly totals not seasonally adjusted]

|  | Line | 2001  |       |       |       | 2002  |        |        |        | 2003   |        |        |        | 2004   |        |        |        |
|--|------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|  |      | I     | II    | III   | IV    | I     | II     | III    | IV     | I      | II     | III    | IV     | I      | II     | III    | IV     |
| Current receipts from the rest of the world .....                        | 1    | 362.7 | 351.5 | 325.5 | 315.6 | 315.5 | 331.3  | 332.9  | 331.9  | 330.7  | 338.7  | 345.8  | 374.2  | 376.4  | 394.2  | 397.3  | 421.3  |
| Exports of goods and services .....                                      | 2    | 271.9 | 266.4 | 248.9 | 245.6 | 241.6 | 253.6  | 253.6  | 257.1  | 251.2  | 255.0  | 259.7  | 279.7  | 281.1  | 292.1  | 293.0  | 307.6  |
| Goods <sup>1</sup> .....   | 3    | 196.1 | 190.0 | 170.6 | 174.5 | 168.1 | 178.8  | 172.9  | 177.7  | 175.1  | 180.1  | 175.2  | 194.0  | 196.6  | 206.0  | 201.2  | 214.2  |
| Services <sup>1</sup> .....  | 4    | 75.8  | 76.4  | 78.3  | 71.1  | 73.6  | 74.8   | 80.6   | 79.4   | 76.1   | 74.9   | 84.5   | 85.7   | 84.5   | 86.1   | 91.7   | 93.4   |
| Income receipts .....  | 5    | 90.8  | 85.1  | 76.6  | 70.0  | 73.9  | 77.6   | 79.3   | 74.8   | 79.5   | 83.7   | 86.1   | 94.5   | 95.3   | 102.1  | 104.3  | 113.7  |
| Current payments to the rest of the world .....                          | 6    | 452.6 | 446.4 | 423.5 | 403.2 | 406.0 | 446.7  | 461.1  | 456.0  | 447.1  | 466.3  | 482.7  | 497.8  | 501.4  | 557.4  | 572.7  | 609.5  |
| Imports of goods and services .....                                      | 7    | 357.7 | 358.0 | 348.8 | 335.3 | 320.3 | 358.5  | 373.9  | 377.6  | 361.9  | 382.3  | 394.9  | 407.4  | 405.4  | 447.6  | 463.4  | 481.4  |
| Goods <sup>1</sup> .....   | 8    | 302.8 | 295.7 | 287.9 | 281.6 | 265.1 | 297.7  | 310.1  | 316.6  | 301.9  | 317.6  | 324.9  | 339.5  | 337.3  | 371.2  | 383.3  | 404.0  |
| Services <sup>1</sup> .....  | 9    | 54.9  | 62.3  | 61.0  | 53.7  | 55.2  | 60.8   | 63.9   | 61.0   | 60.0   | 64.7   | 70.0   | 67.9   | 68.1   | 76.4   | 80.1   | 77.4   |
| Income payments .....  | 10   | 80.4  | 74.3  | 73.0  | 51.1  | 66.5  | 73.9   | 72.7   | 62.0   | 67.2   | 67.0   | 70.0   | 71.5   | 73.5   | 90.1   | 93.2   | 104.9  |
| Current taxes and transfer payments to the rest of the world (net) ..... | 11   | 14.5  | 14.1  | 1.6   | 16.7  | 19.1  | 14.4   | 14.6   | 16.4   | 18.0   | 17.0   | 17.8   | 18.9   | 22.5   | 19.7   | 16.1   | 23.2   |
| From persons (net) .....   | 12   | 8.6   | 7.9   | 8.5   | 8.1   | 10.4  | 9.4    | 10.2   | 10.0   | 10.6   | 10.0   | 10.0   | 10.6   | 11.0   | 10.3   | 11.3   | 10.3   |
| From government (net) .....  | 13   | 1.6   | 1.7   | 2.0   | 4.2   | 5.8   | 2.3    | 2.0    | 4.1    | 5.0    | 4.4    | 4.5    | 4.1    | 6.7    | 3.8    | 4.1    | 5.1    |
| From business (net) .....  | 14   | 4.3   | 4.5   | -8.8  | 4.5   | 2.9   | 2.6    | 2.4    | 2.4    | 2.6    | 3.3    | 4.1    | 4.8    | 5.6    | 0.7    | 7.8    |        |
| Balance on current account, NIPAs .....                                  | 15   | -89.9 | -94.9 | -98.0 | -87.6 | -90.5 | -115.5 | -128.2 | -124.1 | -116.4 | -127.6 | -136.9 | -123.5 | -124.9 | -163.2 | -175.4 | -188.2 |

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

**Table 8.6. Corporate Profits With Inventory Valuation Adjustment, Not Seasonally Adjusted**

[Billions of dollars; quarterly totals not seasonally adjusted]

|   | Line | 2001  |       |       |       | 2002  |       |       |       | 2003  |       |       |       | 2004  |       |       |       |
|---|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|   |      | I     | II    | III   | IV    |
| Corporate profits with inventory valuation adjustment ..... | 1    | 174.8 | 195.0 | 176.8 | 172.6 | 170.9 | 188.9 | 195.9 | 210.4 | 206.6 | 227.4 | 243.8 | 246.2 | 239.4 | 261.9 | 249.3 | 269.1 |
| Profits before tax .....                                    | 2    | 181.5 | 193.0 | 172.2 | 161.2 | 167.2 | 189.3 | 200.8 | 211.0 | 214.5 | 226.3 | 241.6 | 254.7 | 248.5 | 274.1 | 260.7 | 275.9 |
| Taxes on corporate income .....                             | 3    | 52.9  | 56.1  | 51.1  | 44.0  | 41.6  | 48.3  | 50.7  | 52.0  | 54.0  | 56.3  | 60.2  | 61.6  | 61.5  | 70.8  | 66.8  | 72.0  |
| Profits after tax .....                                     | 4    | 128.6 | 136.9 | 121.1 | 117.2 | 125.7 | 141.0 | 150.1 | 159.0 | 160.6 | 170.0 | 181.4 | 193.1 | 187.0 | 203.3 | 193.9 | 204.0 |
| Inventory valuation adjustment .....                        | 5    | -6.7  | 2.0   | 4.6   | 11.4  | 3.7   | -0.3  | -5.0  | -0.6  | -8.0  | 1.1   | 2.1   | -8.5  | -9.2  | -12.2 | -11.4 | -6.9  |